

Hearing Date: TBD

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UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

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In re	:	Chapter 11
	:	
GENERAL MOTORS CORP., <i>et al.</i> ,	:	Case No. 09-50026 (REG)
	:	(Jointly Administered)
Debtors.	:	
	:	
	X	

**PRODUCTION SERVICES MANAGEMENT INC.'S LIMITED OBJECTION TO  
NOTICE OF (I) DEBTORS' INTENT TO ASSUME AND ASSIGN CERTAIN  
EXECUTORY CONTRACTS, UNEXPIRED LEASES OF PERSONAL  
PROPERTY, AND UNEXPIRED LEASES OF NONRESIDENTIAL REAL  
PROPERTY AND (II) CURE COSTS RELATED THERETO**

Production Services Management Inc. ("PSMI"), by its undersigned counsel, hereby files this limited objection (the "Objection") to the Notice of (I) Debtors' Intent to Assume and Assign Certain Executory Contracts, Unexpired Leases of Personal Property, and Unexpired Leases of Nonresidential Real Property and (II) Cure Costs Related Thereto (the "Assignment Notice"), served upon PSMI by the above-captioned debtors and debtors-in-possession (collectively, the "Debtors"), pursuant to this Court's Bidding Procedures Order [Docket No. 274], only as it relates to the Proposed Cure Amount, and in support thereof states as follows:

**Background**

1. The Debtors commenced these voluntary cases under chapter 11 of the Bankruptcy Code on June 1, 2009 (the "Commencement Date").

2. On June 2, 2009, this Court entered an order (the "Bidding Procedures Order") approving the Debtors' bidding procedures, which includes procedures regarding the Debtors' assumption and assignment of its executory contracts.

3. PSMI is in receipt of an Assignment Notice dated as of June 5, 2009, which provides that the Debtors intend to assume and assign the Debtors' agreements with PSMI (the "PSMI Assumable Executory Contracts").

4. The Contract Website lists \$2,984,259.52 as the total amount owing under the PSMI Assumable Executory Contracts (the "Proposed Cure Amount").

5. PSMI has no objection to the assumption and assignment of the PSMI Assumable Executory Contracts, but rather files this limited objection only as to the Proposed Cure Amount.

6. The Proposed Cure Amount is less than what is actually owed under the PSMI Assumable Executory Contracts.

7. The Bidding Procedures Order and the Assignment Notice limit the Proposed Cure Amount to such amounts that were owing as of the Commencement Date, and not the date the contracts will actually be assumed by the Debtors and assigned to the Purchaser (as defined in the Assignment Notice). Amounts owing after the Commencement Date must either be paid at the time of assumption of the PSMI Assumable Executory Contracts or be paid in the normal course of the Debtors' business.

**Objection**

8. PSMI does not object to the sale of Debtors' assets as contemplated in the Sale Motion or to the assumption of the PSMI Assumable Contracts by the Debtors and the assignment thereof to the Purchaser.

9. PSMI objects to the Proposed Cure Amount because it does not include the additional \$10,206,070 owing to PSMI with respect to the PSMI Assumable Contracts as detailed on Exhibit A.

10. The total Cure Amount therefore should be \$13,190,329.

11. PSMI will meet and confer with the Debtors and the Purchaser in order to resolve the dispute concerning the Proposed Cure Amount for the PSMI Assumable Executory Contracts.

WHEREFORE, PSMI respectfully requests that the Court determine that the Proposed Cure Amount to be paid to PSMI for the PSMI Assumable Executory Contracts as of the Commencement date is \$13,190,329.

JAFFE RAITT HEUER & WEISS, P.C.

By: /s/ Paul R. Hage

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Dated: June 12, 2009

## **EXHIBIT A**

Missing Cure Amounts for PSMI

1) Inventory that the Debtors are required to purchase under the terms of the PSMI Assumable Executory Contracts in the total amount of \$9,794,029, broken down as follows:

- A) Ypsilanti Transmission Operations \$1,898,561.88;
- B) 300 MM Product line for Willow Run Plant \$14,396.81;
- C) 4L80 Product line for Willow Run \$402,305.08;
- D) Old Warren Plant \$902.16;
- E) Willow Run \$3,105,883.11;
- F) Baltimore Transmission Operations \$400,759.88;
- G) Parma Ohio \$10,125.86;
- H) Toledo 4 Speed: \$235,942.64;
- I) Product Line 6 Speed Rear Wheel Drive \$2,570,662.73; and
- J) Product Line 6 Speed Front Wheel Drive \$1,154,489.60

2) Receivables not showing up for payment in GM's System in the total amount of \$412,041.68, comprised of the following:

Plant	Invoice Date	Invoice Number	Amount
TTO	5/31/2009	113275-00	\$110,140.67
WR	5/31/2009	05312009	11,347.16
WR	5/31/2009	05312009	28,137.00
WR	5/31/2009	05312009	11,143.50
WR	5/31/2009	05312009	35,849.05
WTO	5/31/2009	05312009	33,268.16
YTO	5/17/2009	05312009	52,575.86
YTO	5/24/2009	05312009	47,049.35
YTO	5/31/2009	05312009	82,530.93